



September 2007

INDUSTRY LEADERS MEET TO DISCUSS OPERATION M.U.S.I.C

Fitness industry leaders met in Sydney on 17 August to discuss the progress of the Operation M.U.S.I.C campaign. Expert advisors to Fitness Australia, including legal, music industry and public relations specialists were present at the meeting to provide delegates with further information and advice on how to deal with the PPCA tariff review issue.

Meeting delegates were pleased with the progress made to date by the Operation M.U.S.I.C Taskforce and further plans were developed to continue the campaign in accordance with strategies agreed earlier in the year.

Fitness Australia CEO, Laretta Stace says, "one of the important elements of the campaign will be to gather data and information on the fitness industry in Australia. We will now be developing a research survey and approaching industry members to assemble relevant data that can ultimately be used to support our legal strategy."

Meanwhile, the fitness industry is putting its financial support behind the Operation M.U.S.I.C campaign. "To date, we have raised over \$150,000 in funds to support this case, which is a terrific result!" says Stace. "Without this support, the industry would not have been able to achieve the results that it has in ensuring that PPCA are not simply able to use their market power to 'railroad' the industry and apply unfair and unreasonable increases to the tariff, making the playing of music unaffordable for everyone."

Fernwood Women's Health Clubs and Fitness First have both contributed a significant amount to campaign funds and 21 other businesses have also contributed as a result of the recent fundraising campaign.

We need to continue this fight and we are achieving a great amount of success in our campaign. Any amount of financial contribution from industry members, professionals or industry service providers will be much appreciated.

You can make a contribution to Operation M.U.S.I.C through the website www.operationmusic.org.au.

ACCC RESPONDS TO PPCA CASE

The Australian Competition and Consumer Commission (ACCC) has prepared a detailed response to the PPCA's proposed survey methodology for the Copyright Tribunal of Australia. Whilst the ACCC are acting independently in this case, Fitness Australia is pleased with their response to date as it raises questions about the usefulness of the PPCA survey methodology in estimating the value that sound recordings bring to fitness centres.

The ACCC is also currently examining PPCA's authorisation for collective licensing arrangements for the public performance and broadcasting of sound recordings. Fitness Australia representatives were invited to attend a conference of key stakeholders who are affected by or interested in this process.

In summary, the ACCC are seeking to impose certain conditions on PPCA before granting the re-authorisation. These conditions include amendment to PPCA's complaints handling and dispute resolution policy and procedure, a greater amount of information on the availability and access to direct negotiation with sound recording licensors and a greater level of information and transparency around the copyright status of PPCA's sound recording repertoire.

Fitness Australia is very supportive of the conditions proposed by the ACCC and has submitted two written and one verbal submission to the ACCC in relation to this matter. Fitness Australia was joined by other groups including the Australian Hotels Association, Nightclubs Association, Free TV, ABC and SBS at the conference.

For more information contact Fitness Australia on 02 8338 3000 or email info@operationmusic.org.au